

1. Common Market Moves **PS FILE COPY -- DO NOT REMOVE**
2. OAS and Cuba

1. COMMON MARKET MOVES

Recent Common Market developments add impetus to the freer trade drive in the U.S., commentators agree.

In adopting a common farm policy, EEC ministers are believed to have brought their Community "past the point of no return" into its second stage of integration. "The result is bound to radiate across the Atlantic," the Baltimore Sun maintains. "This latest evidence that the Common Market is here to stay gives added validity to President Kennedy's urgings" that our trade policy "be fitted to the challenges of the times," the Washington Star adds (also Geo. Favre in C. S. Monitor). "It makes more compelling the case for broader tariff-bargaining powers," maintains the Washington Post (similarly, Paul Ghali in Chicago News, N.Y. Post).

"The U.S. was reminded forcefully that if it does not adapt to the powerful, thriving new trading area it will lose an inestimable economic and political opportunity," according to Erwin D. Canham (on ABC; similarly Providence Journal). "In Stage 2 there will occur a whole new round of (internal) EEC tariff cuts. These will make it still more profitable to do business with one another rather than with outsiders," the Christian Science Monitor says.

"In concluding an agreement on agricultural policy the Common Market cleared its most difficult hurdle. A new giant is arising in the world's economy--and it is one with which the U.S. must reckon" (N.Y. Herald Trib.). "In our own interest," the New York Times holds, "the Common Market's advance needs to be followed quickly by Congressional approval of the President's program" for a freer trade policy.

Conclusion of the first sweeping tariff-cutting agreement between EEC and the U.S. gives the President "tangible evidence to present to Congress of the beneficial and serious intentions involved in such negotiations" (Neal Stanford in C.S. Monitor). "It will start to open bright horizons for American producers," adds the Denver Post. To Mr. Stanford, the only alternative is retreat "behind an economic fence that would isolate the U.S. from its major allies."

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"Conclusion of this agreement is the best possible argument" for further tariff-cutting authority, according to the Baltimore Sun. "The Europeans were prepared to broaden the agreement but the American negotiators had used up practically all the tariff-reducing authority they possess under the present Act," the Sun points out (similarly, Ray Vicker in Wall St. Journal, Julius Duschka in Wash. Post, Henry Ford).

Prospects for unification of all Western Europe and a closer free-world community look better than ever to several commentators (N.Y. Times, Denver Post, and others). "The Soviet Union has become increasingly worried about the current prosperity and future expansion of the European Market," states Scripps-Howard's W. D. Friedenberg.

A few favor U.S. caution. "For the U.S. the (new EEC farm-policy) agreement has a good side and a questionable side," the Chicago Tribune holds. The "questionable side" to the Tribune "is how the agreement will affect our farm prices." The Tribune is concerned that EEC may adopt high price supports thus stimulating European farm production, raising living costs of European consumers, and reducing demand for American products. The Philadelphia Inquirer favors the Common Market "as a brilliant answer to dogmatic Communism--but not at the expense of ruining vital home industries."

More critically, a shoe manufacturer asks: "If the U.S. should become an associate of the Common Market, what are we to do? Does the Administration recommend we reduce all labor rates to those in Europe or by some fantastic miracle will they bring European rates up to the levels of the American shoe workers?" According to the New York Mirror, what is needed by the U.S. in negotiations with the Common Market is "sharp, keen trading."

2. OAS AND CUBA

Strong action against Castroism seems unlikely at Punta del Este. Most commenting anticipate that the Conference will wind up with "a high-sounding" but not very meaningful resolution on Cuba, despite "heightened awareness" throughout the Hemisphere that Communism is an active danger and that Castro is "part of the plot." And that then, "Castro will be in no worse a situation than the one that prevails now," and "the problem will be

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right back where it already rests--in Washington" (Sam Adkins in Louisville Courier-Journal; similarly, Philip Ceylan of Wall St. Journal, Gerry Robichaud).

But most commenting hold that the U.S. must act if the OAS "temporizes." Typical of the majority view, Life magazine maintains that if the OAS does not take "the necessary measures" at Punta del Este, "the U.S., in the compelling right of self-defense, must take them alone." There "is no point in preserving an appearance of hemisphere unity if the price is to let the hemisphere itself be undermined and conquered piecemeal" (Life; similarly, Cincinnati Enquirer, Dallas News, George Minot in Boston Herald, Virginia Prewett). Several warn that failure to impose sanctions will only serve "to strengthen" Castro's efforts "to export the cancer of Communism throughout the Hemisphere (e.g. Sen. Thurmond, D-S.C., Rep. Selden, D-Ala., Sen. Kuchel, R-Cal.).

A few criticize the State of the Union Address for "totally ignoring" Cuba and the U.S. "position for the Punta del Este Conference" (Rep. Johansen, R-Mich., Rep. Utt, R-Cal.).

Some warn that unilateral intervention would "shatter" the OAS, and with it hemispheric cooperation in the Alliance for Progress. The St. Louis Post-Dispatch holds that the U.S. should "accept" any "workable compromise" agreed upon at the Conference. For even "a watered-down" resolution would serve our "basic purpose of isolating Castro's totalitarian revolution from the sympathies of a revolutionary hemisphere" (similarly, Kansas City Times). Harry Murkland, Newsweek's Latin American editor, affirms that "much more would be gained if efforts were made to dig out the roots of the pro-Castro sentiment...as proposed in the Alliance program" (similarly, Carleton Beals in The Nation).